



Adoption

By Richard Fischer

You've been considering adoption? Disheartened because you believe the expense is too great for your budget?

If so, then smile.

Through option planning, the family of your dreams may be closer than you think!

The various pieces of your life puzzle have finally come together. Your education, career path, home, and personal relationships have fallen into place and now your focus gives way to dreams of parenthood. You quickly find out that childbearing for some can be a bit more complicated than expected. Where is that "baby on demand" button?

From this point on, the meter is running and few arrive at their baby destination with their finances intact. There are counseling sessions, infertility treatments, hospital stays and surgical procedures to pay for, and you soon find yourself mentally exhausted and financially abbreviated! All you want is a child, the fastest way possible.

And so begins the next step in pursuit of that dream family. Regardless of how you've gotten to this point, you've now chosen to make adoption your pathway to parenthood.

Sooner than later after making this decision, the topic of funding enters the equation. "Just what does it cost to adopt a child?" you ask. No two adoptive parents would probably give you the same response except to add, "Don't worry about the money. You'll find a way to get the funds you need".

Throughout the years, prospective parents have traveled the uncharted

waters of creative financing in pursuit of their dream family. "Whatever it takes" may be your motto, and woe to the obstacle that challenges your pathway. But keep in mind that throughout the adoption process, many decisions will be made and most will entail considerations of money.

First and foremost remember that you will not be "purchasing" a child. You will, however, be paying for those services provided by adoption professionals chosen to assist you in the adoption process. It is through this process of *choice* that adoption can become an affordable reality for almost anyone.

FACT: There is no relationship between the amount of money spent for your adoption and the child that joins you at the end of the process.

This is contrary to the purchase of a new automobile, where in many instances, the price paid has a direct relationship to the quality of product received, as in the luxury appointments of a Lexus versus the more utilitarian Hyundai. In the adoption process, costs are mainly reflective of the quality and quantity of the services you receive, since all agencies, regardless of their areas of expertise, draw from the same pool of available children.

Your choice of an agency or "adoption partner" will be one of the most important you make. For many adoptive parents, the agency will become a member of your extended family — someone you will turn to for sharing the joys and concerns of your adoption journey. Take your time when making this choice. Remember, they are going to be part of your family too!

The next step in determining your financial considerations should be to determine what adoption services you need provided and what you can do for yourself. While there are many services that can only be provided through legal entities and properly licensed individuals,

there are also tasks associated with the preparation and delivery of some documents that you may find within your range of available time and expertise. When interviewing for an agency partner, these considerations should be explored thoroughly. Since the focus of this article is adoption finance, we will proceed past agency selection to the next important constant in the adoption process.

Fact: Whatever the cost of adoption is, it is!

This translates to there being little chance of negotiating a better price for the services you require. So be prepared to pay for what you expect to receive. Costs can and will vary from agency to agency for what you perceive as the same service. Keep in mind that agencies are not strictly humanitarian establishments, but are businesses like any other, subject to operational costs that cannot be bargained for or eliminated. The bottom line is that when you have determined the short-term costs for the procurement of your adoption and the long-term financial considerations, you either have the necessary funds available or you start your creative financing project, with the emphasis on *creative!*

If money is no problem, stop with this sentence and proceed on to your final destination. For the rest, this is where Plan B — option planning — can come to the rescue and keep your adoption journey on track.

To be efficient, it helps if you can remove the emotional side of this process and concentrate on the business aspect of financing your adoption. As difficult as this sounds, it can be done, and will ultimately allow you to make realistic decisions that are less likely to come back and haunt you.

When looking for those extra funds to finance your adoption, your first impulse may be to rush out and borrow. Remember when all you had to do was

Finance

Get your ducks in a row

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ask, "Dad, can I borrow some money for a new baseball glove?" Back then, your dad may have been reluctant to finance your baseball career, but today may be more than willing to do whatever it takes to finally hold his grandchild! If you do choose to borrow, the important lesson here is to seek out those lenders that have an understanding of adoption or a personal interest in your financing venture. In addition to enhancing your financial opportunities, knowing whom to contact for assistance can make the entire process less taxing and more efficient.

But before we get into a listing of potential available resources for loans, I recommend that you prepare your own detailed financial profile to determine your eligibility for financial assistance. You are going to be asked for this information as part of your adoption application anyway, so take the time to do a thorough job from the start. A good financial profile will be more than an income, assets and liability ledger. As you enter each of these categories ask yourself, "What was my intent in making this liability or creating this asset?" Determine what your long-term financial goals are and weigh those goals against current and past performance as listed on your balance sheets.

Thinking long-term is a must! Raising a child is an ongoing expense and based upon current estimates it will cost over \$150,000 to cover your child's expenses from birth to age 17. This is in addition to the funds required to pay for your planned adoption.

If piecing together your financial history proves to be too time-consuming or too difficult a challenge, you may want to consider professional assistance.

Enlisting the services of a financial planner in the beginning of the adoption process can be your key to discovering those untapped riches you never realized you had. Once you have completed your

financial profile, you may discover that you don't need outside assistance after all!

I recently visited with Melinda Olbert, J.D., a personal financial advisor for American Express Financial Services in Oklahoma City, who shared an article with me about one couple considering adoption. Their story appeared in the *Daily Oklahoman*. Ronald and Marie Weltzheimer, still childless after 11 years of marriage, were once worried that adoption was beyond their financial reach. Yet over the last five years, the couple from Edmond has adopted three children at a total cost of more than \$30,000. And they are not in debt!

"When Marie and I first got married, we had some financial struggles," Fred Weltzheimer said. "We decided real early on that one of the things we wanted to do was stay out of debt. During those first two or three years, we got all our debts paid off — except for our house — and we've paid cash for everything since."

That meant paying about \$10,000 to adopt their oldest son, Jordan, and even more to adopt their two younger children, Jonah and Jacqlyn, both from South Korea. ... All of this required planning, and none of it was easy!

The third adoption drained the Weltzheimer's savings. And Fred indicated it was necessary to make little sacrifices, every day, to be able to afford it all.

The Weltzheimers are now rebuilding their savings and preparing for long-term expenses with a financial plan. Olbert, their financial advisor, recommends that other couples considering adoption start their financial plan now. Olbert has helped nearly a dozen adoptive parents tailor their financial plans. "If families do have the opportunity to plan ahead," she said, "that alleviates a lot of the stress associated with adoption so they can focus on the joy of the journey and the

arrival of their child." Olbert also advises adoptive parents to think long-term, considering the ongoing costs of raising a family, funding a college education and eventual retirement for themselves.

With a financial profile and plan in hand, you can now make decisions based upon actual data, not a group of numbers you think may be reasonable. You should have enough information to determine your ability to afford an adoption and whether you will need financial assistance.

If you found those untapped riches during the preparation of your financial profile, I extend my congratulations to you. You too may be excused from this exercise, and carry out your adoption plan.

Now we are getting down to those of you who must be more creative. For you, we will begin to explore the elements that give option planning its name. In the next issue of *Adoption TODAY* we will discover the resources that have been put in place specifically to make adoption an affordable possibility for you. Part II of this article will cover employee benefit programs, military subsidies, low interest loans, private grants, special loan programs, government subsidies, federal adoption tax credits and options that can reduce your out-of-pocket adoption expenses to practically nothing!

Your choice of an agency or "adoption partner" will be one of the most important you make ... Remember, they are going to be part of your family, too!"

¹ Melissa Davis, "Financial Costs of Adoption Can Put Strain on Families," *The Daily Oklahoman*, Nov. 28, 2000.